

DATE OF MEETING:	14 December 2011
SUBJECT:	Children's Centre Payment by Results Trial
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IS THE REPORT EXEMPT?	No
IS THE REPORT CONFIDENTIAL?	No

1. **Purpose:**

To provide a brief overview of the purpose of Payment by Results and the current Children's Centre Payment by Results Trial that Lincolnshire is currently involved in.

To provide the CYPSP with the opportunity to comment/make suggestions about the development of this trial.

2. **Background/Context**

What is Payment by Results (PBR)?

Payment by Results is a way to motivate providers of services to improve performance.

Improved Performance may include improved outcomes for vulnerable people and improved value for money for the taxpayer.

How does PBR work?

As part of the PBR process performance targets are agreed between the commissioners (budget holders) and the providers of services.

Payments to providers are then linked to the performance achieved against the agreed targets.

Performance targets should, wherever possible be linked to improved outcomes.

Why is PBR being trailed across Children's Centres?

The Coalition Government believe that (PBR) is a key way to improve value for money across the Public Sector.

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The Department for Education (DFE) also believes that PBR is a key opportunity for improving productivity across Children's Centres. For this reason the DFE and the Local Government Group provided Local Authorities with the opportunity to bid to trial PBR in their areas.

Lincolnshire County Council submitted an application to become a trial area for Sure Start Children's Centres Payment by Results. The application was successful and Lincolnshire is now one of 27 local authorities taking part in the trial. The trials are also expected to inform the roll out of PBR across all Local Authorities in the future and we want to lead the way in embedding PBR in advance of it becoming a national strategy. By being selected for the trial, Lincolnshire will also be eligible for some financial support to implement PBR (the exact amount still to be agreed with DFE).

Lincolnshire's Approach to Implementing PBR

The approach and principles for Children Centre delivery in Lincolnshire are currently being updated. These new delivery arrangements will confirm the core purpose for our Children's Centres, identify their role within wider integrated provision and will provide a sustainable delivery model for the future.

PBR can be utilised as one of a number of tools to influence improved outcomes including improved Value for Money (VFM) and the identification and development of unit costings.

The Commissioning approach encouraged in Children's Services in Lincolnshire is "value adding". We look for directly commissioned providers to bring additional resources to the table and increase the overall resource available to improve outcomes for Children and Families.

Therefore PBR can best be utilised to influence "Value Adding" behaviour. In this respect the Children's Centre PBR trial in Lincolnshire will be utilised to provide partnership working incentives to:

- Reduce inequalities (in Outcomes) for Children and Young People;
- Develop parenting skills to improve children's learning including literacy and numeracy;
- Develop outstanding early years childcare provision and ensure school readiness for all children;
- Reduce the number of Families with Complex Needs;
- Raise Aspirations and the Self Esteem of Families;
- Maximise available funding to improve outcomes for the children in greatest need;
- Reduce pressures on high cost statutory duty budgets;
- Improve VFM across Early Years provision;
- Encourage Early Intervention and Preventative practice;
- Further enhance integrated working and productivity arrangements at locality level;
- Provide an enhanced focus on the core purpose of children's centres.

The PBR trials will also be utilised to inform the further improvement of commissioning, performance management and value for money frameworks at a local and national level.

Integrated working arrangements offer the opportunity for key stakeholders to work together in a more joined up way and address child and family needs in a holistic way.

A project team has been established to complete the work, with Governance and reporting arrangements through the Local Authority, and it is envisaged that additional reporting arrangements of health outcomes will be via the Health and Wellbeing Board (H&WBB).

Project Success Criteria

The list of draft performance measures (to be confirmed with the DfE) can be seen in Appendix One.

In summary PBR is seen as an opportunity to continuously improve outstanding provision as well moving other provision towards outstanding practice in the future.

3. **Recommendation**

That the CYPSP notes the introduction and development of the Children's Centre Payment by Results Trial.

Appendix One

Draft Performance Measures

- Percentage of families with children under 5 years who are “registered” with children’s centres in the local authority area;
- Percentage of families with children under 5 years who are identified as being “in greatest need” and have “sustained contact” with children’s centres in the local authority area;
- Percentage of families in the local authority area who receive a summary of their child’s development at 24-36 months;
- Percentage of families in the local authority area who have appropriate support where additional needs have been identified in the local authority area (e.g. through a summary of their child’s development at 24-36 months and/or health visitor check);
- Early Years Foundation Stage assessments, with gap narrowing, in the local authority area (include personal, social and emotional development);
- Take up of the 2yr old free entitlement across the local authority area;
- Breastfeeding prevalence (at 6-8 weeks after birth), with gap narrowing, in the local authority area;
- Percentage of families, who are identified as being “in greatest need”, accessing antenatal support through children’s centres in the local authority area;
- Incidence of low birth weight of full term live births, with gap narrowing, in the local authority area;
- Proportion of parents with post-natal depression in the local authority area. (Or parents’ self-reported emotional wellbeing);
- Percentage of children, who are identified as being “in greatest need”, accessing evidence based healthy eating / lifestyle support through children’s centres in the local authority area;
- Prevalence of healthy weight at age 4-5yrs, with gap narrowing, in the local authority area.
- Explore measure of economic wellbeing;
- Percentage of families, who are identified as being “in greatest need”, completing evidence based parenting programmes (e.g. Incredible Years) through children’s centres in the local authority area;
- Parents self-reported aspirations and self-esteem
- Percentage of families, who are identified as being “in greatest need”, receiving sustained outreach and family support through children’s centres in the local authority area;

- Levels of parental language / literacy / numeracy, with gap narrowing, in the local authority area;
- Percentage of Outstanding / Good OfSTED inspections of children's centres in the local authority area;
- Levels of volunteering in children's centres in the local authority area;
- Levels of parental satisfaction with children's centre services in the local authority area.